ROLE OF FAIRNESS PERCEPTIONS IN VOLUNTARY ERROR REPORTING: A CONCEPTUAL FRAMEWORK

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A growing number of patient-safety initiatives rely on voluntary reporting of errors and near misses. Efforts to implement such reporting systems are inevitably accompanied by calls for creating a "blame free" culture; yet this general appreciation has not led to a more specific examination of the underlying social processes. We develop a delineated understanding of "blame free" culture by focusing on one specific component of a blame free culture—fairness perceptions i.e. the extent to which employees view their supervisors and their organization to be fair. In addition, we propose that voluntary reporting can take two forms—formal and informal. Drawing from the extensive literature on fairness perceptions in social psychology, we identify factors that affect the likelihood of each form of voluntary reporting. Specifically, we argue that employees develop separate sets of fairness perceptions about their supervisors and their organization. The two sets, which are not necessarily consistent, will have different effects on the likelihood of formal and informal reporting. The framework carries significant implications for whether information sharing is local or system-wide and for what cultural factors need to be targeted for change.

Introduction

Several patient-safety initiatives depend on voluntary reporting of errors and near misses. Efforts to implement systems for voluntary reporting can succeed only if the organizational culture is blame-free and non-punitive. Even as the need for this blame-free culture is widely recognized, considerable ambiguity surrounds the specific characteristics of such a culture. Therefore a more delineated view of what a blame-free culture means in the work-place becomes necessary. Reason (1997) has pointed out that a component of a blame-free culture is fair treatment of employees. By focusing on this specific relationship between fairness perceptions and voluntary error reporting, this paper elaborates on a certain aspect of this culture. This paper examines the impact of fairness perceptions (i.e. the extent to which employees view their supervisors and organization to be fair) on two forms of voluntary error reporting – informal and formal. We describe these two forms of voluntary error reporting and develop hypotheses about how they are affected by fairness perceptions.

Two Forms of Error Reporting

Accounts of voluntary error reporting suggest that they can take two distinct forms–informal and formal (e.g. Kramer, 1999). An informal report is typically verbal, and spontaneous. The perceived target beneficiary is local and easily identifiable (e.g., work-group, peer, or supervisor). A nurse, for example, might approach a nurse-manager to informally talk about an error that she had just noticed. By contrast a formal report takes place in a pre-arranged setting and a pre-specified form. It is typically written and planned. The perceived target beneficiary is far-removed and often difficult to identify (e.g., the organization, or a large division). A nurse filing a standard reporting form on a medical error in a hospital can be said to be making a formal report.

Each type of voluntary error reporting carries a different set of implications for organizational learning (Argote, 1999). As formal reporting is usually explicit and codified, it more easily facilitates learning beyond the contributor's immediate work area (Zander & Kogut, 1995). In other words, information from formal error reporting is more easily available across the organization for analysis and hence should further larger organization-wide learning. By contrast, informal reporting should more strongly lead to local-workgroup level learning as information flowing from it would not be as easily available for transfer across organizational sub-units (Hansen, 2002). Information conveyed informally to a supervisor might lead to immediate corrective actions and changes in work practices locally in the unit but not necessarily across the organization. Hence, although both forms of voluntary error reporting lead to learning, depending on the form of reporting the level of learning could be local or organization-wide.

Fairness Perceptions and Error Reporting

Fairness perceptions result from various actions of the supervisors and the organization. These judgments could be favorable or unfavorable. Employees form favorable judgments when they receive fair (but not necessarily high) rewards that recognize performance, organizational procedures take into account their opinions, organizational decisions are not only ethical but are also consistently applied across situations and employees, and when they receive interpersonal treatment that maintains their sense of dignity and self-respect (Bies & Moag, 1986; Cropanzano & Greenberg, 1997; Leventhal 1980). By contrast, a strong sense of unfairness is created when organizational or supervisory actions are not properly explained to employees or when they

are not allowed to meaningfully participate in decision making that affects them.

Fairness perceptions lead to important cooperative behaviors at the work place. When people perceive fairness in their interactions with authorities, they are more likely to, without fear of exploitation, contribute to the goals of those authorities because of their general belief that the authorities in turn would reciprocate in an equitable manner (Lind & Tyler 1988). Hence, employees who perceive their supervisor or the organization to be fair would tend to co-operate at work and be model organizational citizens (Organ 1988). As a consequence they help their co-workers on job tasks, are conscientious in terms of protecting organizational resources, attend work meetings on time, defend their work units and supervisors in front of outsiders, follow organizational rules, accept minor discomforts in the work life in a sportsmanship manner, and make suggestions for improvement of work practices (Lepine, Erez & Johnson, 2002; Moorman, Blakely & Niehoff, 1998; Masterson, Lewis, Goldman & Taylor, 2000). However, employees who feel that they have been treated unfairly are more likely to work in ways that are counterproductive to the organization and the work unit. Perceptions of unfairness, for example, have been linked to employee theft, sabotage, absenteeism, and job withdrawal (Colquitt, Conlon, Wesson, Porter, & Ng 2001; Greenberg, 1990; Skarlicki & Folger, 1997).

Voluntary error reporting can be considered a variant of Organizational Citizenship Behaviors (OCBs). Conscientiously reporting observed errors is very closely related to behaviors like stewarding of organizational resources or making suggestions for organizational improvement that have been traditionally studied under the domain of OCBs. Further, OCBs are defined as behaviors that are discretionary and typically not rewarded explicitly by organizational reward systems. For example, employees are neither rewarded nor strictly required by their job descriptions to help their coworkers or display overt loyalty to the company but employees who are good organizational citizens display these behaviors. Hence, error reporting, which depends on the good faith and discretion of the employees, shares some key psychological features with OCBs. We would therefore argue that fairness perceptions, which have been consistently shown to lead to organizational citizenship, should also lead to voluntary error reporting by employees.

> Hypothesis 1: Favorable fairness perceptions increase the likelihood of voluntary error reporting

Sources of Fairness and Error Reporting

Employees distinguish between various sources of fairness in their organizational environment. More specifically, they make separate judgments about the fairness of their supervisor and the fairness of the organization (Masterson et al., 2000). Employees who work for a particularly unfair supervisor might still consider their organization to be fair and similarly those who perceive their supervisor to be a fair person might still consider their organization in general to be unfair. For example, employees who feel that their colleagues had been unfairly laid off by the organization might still retain positive feelings for their immediate supervisor if they perceive that the supervisor had no role to play in that negative event. Similarly, employees who feel that their supervisor had treated them with a lack of sensitivity and concern during their annual performance appraisal meeting might not hold the organization as a whole responsible for that treatment if they feel that the system for performance appraisal is fair.

The consequences of each of these two kinds of fairness perceptions are different (Masterson et al., 2000). When employees perceive their supervisor to be fair, they are more likely to target their organizational citizenship towards that supervisor. That is, act co-operatively towards the supervisor. They, for example, might be willing to stay back after working hours to execute a job request from that supervisor. Similarly, when employees perceive their organization to be fair they are more likely to target their citizenship behaviors towards the organization. That is, act co-operatively towards the organization. They, for example, might be willing to participate in an organization sponsored employee suggestion scheme or to stand up for the organization in front of outsiders.

In the context of error reporting, we expect that supervisory fairness to be related to informal error reporting and organizational fairness to formal error reporting. Employees who report errors informally might view their behaviors to be directed towards local improvements in work practices. Since most informal reporting involves the supervisor either directly or indirectly, employee may view the supervisor as the beneficiary of their actions. By contrast, employees who report errors formally may view the organization as the beneficiary of their actions. In other words, personal, spontaneous, and informal reporting of errors would be an outcome of employee motivation to demonstrate citizenship towards the supervisor and use of systemic or formal conduits for error reporting would be an outcome of employee motivation to demonstrate citizenship towards the organization. Stated formally,

> Hypothesis 2: Favorable supervisory fairness perceptions increase the likelihood of informal error reporting

> Hypothesis 3: Favorable organizational fairness perceptions increase the likelihood of formal error reporting.

Discussion

This paper has outlined a framework for examining how different forms of error reporting are influenced by employee perceptions about fairness of their supervisor and organization. Such fairness perceptions represent an important process through which a blame-free culture might be enacted in organizations.

The distinction between formal and informal reporting has been implicit in prior accounts of safety initiatives. The framework proposed in this paper underscores the need to examine them separately as they differ significantly in their social psychological antecedents and in their consequences for the kind of learning that results.

Admittedly this framework and more specifically the hypotheses suggested by it, awaits empirical validation. We are currently in the process of collecting data in a large hospital to test these hypotheses. Further, although it is important to recognize that fairness perceptions are key determinants of reporting behaviors, there clearly are other cognitive and motivational factors that we have not considered. Our position is that voluntary reporting behaviors are shaped by a variety of contextual features of which fairness perceptions are a necessary and an understudied condition.

Several actionable implications follow from our framework. Firstly, practitioners who want to encourage voluntary error reporting should be sensitive to factors that cause perceptions of fairness at the workplace. It has been shown that providing "voice" to employees (i.e. listening to their opinions) while making important decisions affecting them, treating them with sensitivity and respect, and acting in an unbiased and consistent manner with them leads them to form positive fairness perceptions about their work environment (Cropanzano & Greenberg, 1997). Actions that violate these expectations may seriously jeopardize co-operation from the employees. Secondly, unless organizational values and supervisory behaviors are in consonance with each other, complete and successful implementation of an error reporting system is not possible. Positive actions by the organization can be negated by unfair behaviors of the supervisors and vice-versa. Hence, fairness climate should be present both at local as well as organizational levels to ensure that the effectiveness of patient-safety initiatives require involve voluntary employee participation. This paper therefore points towards actions that we need to focus on for differentially enabling local and system-wide organizational learning.

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